AURVISTA GOLD CORPORATION

CONDENSED INTERIM FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED

SEPTEMBER 30, 2016

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements have not been reviewed by the Company's auditors.

Aurvista Gold Corporation
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

	As at September 30, 2016	As at December 31, 2015
ASSETS		
Current assets		
Cash and cash equivalents (note 4)	**$ 192,198**	$ 257,735
Marketable securities (note 5)	**118,800**	48,600
Other receivables (note 9)	**-**	114,165
Sales taxes receivable	**237,380**	109,817
Mining exploration tax credit receivable (note 9)	**-**	100,000
Prepaid expenses	**95,745**	27,670
Total current assets	**644,123**	657,987
Property and equipment (note 6)	**911**	2,275
Total assets	**$ 645,034**	$ 660,262
EQUITY (DEFICIENCY) AND LIABILITIES		
Current liabilities		
Trade accounts payable and accrued liabilities	**$ 239,749**	$ 312,574
Contingent liabilities (note 17)	**642,000**	442,000
	881,749	754,574
Deficiency		
Share capital (note 10)	**32,706,789**	32,014,380
Reserves	**1,701,991**	912,567
Accumulated other comprehensive loss	**(203,518)**	(273,718)
Deficit	**(34,441,977)**	(32,747,541)
Total deficiency	**(236,715)**	(94,312)
Total deficiency and liabilities	**$ 645,034**	$ 660,262

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Nature of operations (note 1)
Subsequent events (note 18)

Approved on behalf of the Board:

"R. Bryan Keeler", Director

"Robert A. Mitchell", Director

Aurvista Gold Corporation
Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
(Unaudited)

	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015 (note 3)
Operating expenses				
Exploration and evaluation expenditures (note 8)	**$ (667,100)**	$ 28,866	**$ (1,003,087)**	$ (512,583)
General and administrative (note 13)	**(372,406)**	(98,592)	**(698,345)**	(374,346)
Finance income	**-**	133	**1,314**	3,710
Finance (expense) (note 10(b)(ii))	**(120,395)**	(4,814)	**(121,548)**	(5,235)
Premium on flow-through shares	**74,469**	-	**127,230**	-
Net loss for the period	**$ (1,085,432)**	$ (74,407)	**$ (1,694,436)**	$ (888,454)
Other comprehensive loss				
Items that will be reclassified subsequently to income				
Net change in available for sale financial assets	**$ 37,800**	$ (37,800)	**$ 70,200**	$ (21,600)
Other comprehensive loss for the period	**37,800**	(37,800)	**70,200**	(21,600)
Total comprehensive loss for the period	**$ (1,047,632)**	$ (112,207)	**$ (1,624,236)**	$ (910,054)
Basic and diluted net loss per share (note 16)	**$ (0.012)**	$ (0.001)	**$ (0.022)**	$ (0.013)
Weighted average number of common shares outstanding	**89,330,425**	69,511,617	**77,996,409**	69,511,617

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Aurvista Gold Corporation
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015 (note 3)
Operating activities				
Net loss for the period	**$ (1,085,432)**	$ (74,407)	**$ (1,694,436)**	$ (888,454)
Adjustments for:				
Amortization	**454**	454	**1,364**	1,364
Premium on flow-through shares	**(74,469)**	-	**(127,230)**	-
Share-based payments	**97,739**	3,617	**121,963**	9,163
Accretion	**-**	4,707	**-**	4,707
Changes in non-cash working capital items:				
Other receivables	**-**	-	**114,165**	1,188
Sales taxes receivable	**(81,916)**	(10,507)	**(127,563)**	(121,037)
Mining exploration tax credit receivable	**194,637**	(67,582)	**100,000**	(67,582)
Prepaid expenses	**(16,975)**	(2,427)	**(68,075)**	(7,187)
Trade accounts payable and accrued liabilities	**(174,887)**	(55,218)	**(72,825)**	(17,898)
Contingent liabilities	**-**	-	**200,000**	-
Net cash used in operating activities	**(1,140,849)**	(201,363)	**(1,552,637)**	(1,085,736)
Investing activities				
Decrease in funds reserved for exploration	**297,877**	-	**-**	-
Net cash provided by investing activities	**297,877**	-	**-**	-
Financing activities				
Proceeds from issuance of units	**500,000**	-	**1,597,880**	-
Share issue costs	**(24,350)**	-	**(110,780)**	-
Proceeds from secured loan, net of costs	**-**	221,914	**-**	221,914
Net cash provided by financing activities	**475,650**	221,914	**1,487,100**	221,914
Net change in cash and cash equivalents	**(367,322)**	20,551	**(65,537)**	(863,822)
Cash and cash equivalents, beginning of period	**559,520**	117,220	**257,735**	1,001,593
Cash and cash equivalents, end of period	**$ 192,198**	$ 137,771	**$ 192,198**	$ 137,771

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

Aurvista Gold Corporation
Condensed Interim Statements of Changes in Equity
(Expressed in Canadian dollars)
(Unaudited)

Equity (deficiency) attributable to shareholders

	Share capital	Reserves: Share-based payments reserve	Reserves: Warrants reserve	Accumulated other comprehensive loss	Deficit (note 3)	Total
Balance, December 31, 2015	**$ 32,014,380**	**$ 912,567**	**$ -**	**$ (273,718)**	**$ (32,747,541)**	**$ (94,312)**
Private placement - flow-through units	508,920	-	-	-	-	508,920
Private placement - common share units	1,088,960	-	-	-	-	1,088,960
Valuation of warrants issued	(667,461)	-	667,461	-	-	-
Share issuance costs	(110,780)	-	-	-	-	(110,780)
Premium on flow-through shares	(127,230)	-	-	-	-	(127,230)
Share based payments		121,963	-	-	-	121,963
Net loss for the period	-	-	-	-	(1,694,436)	(1,694,436)
Other comprehensive loss	-	-	-	70,200	-	70,200
Balance, September 30, 2016	**$ 32,706,789**	**$ 1,034,530**	**$ 667,461**	**$ (203,518)**	**$ (34,441,977)**	**$ (236,715)**
Balance, December 31, 2014	**$ 32,014,380**	**$ 873,217**	**$ 27,820**	**$ (241,318)**	**$ (31,746,534)**	**$ 927,565**
Warrant expiry	-	-	(27,820)	-	27,820	-
Share based payments	-	9,163	-	-	-	9,163
Net loss for the period	-	-	-	-	(888,454)	(888,454)
Other comprehensive income	-	-	-	(21,600)	-	(21,600)
Balance, September 30, 2015	**$ 32,014,380**	**$ 882,380**	**$ -**	**$ (262,918)**	**$ (32,607,168)**	**$ 26,674**

The accompanying notes to the unaudited condensed interim financial statements are an integral part of these statements.

1. Nature of operations

Aurvista Gold Corporation (the “Company” or “Aurvista”) is a company domiciled in Canada. Aurvista was incorporated on June 3, 2010 under the Ontario Business Corporations Act and was continued under the Canada Corporations Act by articles of continuance dated June 22, 2011. The address of the Company's registered office is 250 Place d'Youville, 2e etage, Montreal, Quebec, H2Y 2B6. The Company is primarily involved in the exploration of mineral resources.

These unaudited condensed interim financial statements have been prepared on the basis of the going concern assumption, in other words, the Company will be able to realize its assets, discharge its liabilities and pursue its mining exploration program in the normal course of operations. The Company has a working capital deficit at September 30, 2016 of $237,626. Management is of the opinion that the Company will be able to meet its current exploration plan, which are approximately $4,500,000, and can keep its properties in good standing for at least the next twelve months. On November 15, 2016 the Company closed a financing of $6,000,000 (see note 18).

The Company has not yet determined whether its mining properties contain mineral deposits that are economically recoverable and has an accumulated deficit of $34,441,977. These conditions, raise doubts regarding the Company’s ability to continue as a going concern.

The Company’s unaudited condensed interim financial statements do not include any adjustments to the assets carrying amount, to the expenses presented and to the reclassification of the balance sheet items that could be necessary should the Company be unable to continue its operations.

2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). These interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these unaudited condensed interim financial statements are based on IFRS issued and outstanding as of November 25, 2016, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2015. Any subsequent changes to IFRS that are given effect in the Company’s annual financial statements for the year ending December 31, 2016 could result in restatement of these unaudited condensed interim financial statements.

New standards and interpretations not yet adopted

IFRS 9 – Financial instruments (“IFRS 9”) was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

(Expressed in Canadian dollars)

3. Change in accounting policy

During the fourth quarter of the year ended December 31, 2015, the Company changed its accounting policy for mining properties and exploration and evaluation assets to recognize these costs in the statements of loss and comprehensive loss in the period incurred, as permitted under IFRS 6, Exploration for and Evaluation of Mineral Resources. Management judges that the change in accounting policy will result in clearer, more relevant and reliable financial information.

The previous accounting policy was that mining properties and exploration and evaluation expenditures were capitalized in respect of each identifiable area of interest, once the legal right to explore had been acquired, until the technical feasibility and commercial viability of extracting a mineral resource are demonstrated.

The impact of this change on the previously reported financial statements for the three and nine months ended September 30, 2015 is as follows:

(i) Statement of Loss and Comprehensive Loss

Three months ended September 30, 2015	As previously reported ($)	Adjustment ($)	Restated ($)
Exploration and evaluation expenditures	-	28,866	28,866
Net loss for the period	(103,273)	28,866	(74,407)

Nine months ended September 30, 2015	As previously reported ($)	Adjustment ($)	Restated ($)
Exploration and evaluation expenditures	-	(512,583)	(512,583)
Net loss for the period	(375,871)	(512,583)	(888,454)

(ii) Statement of Cash Flows

Three months ended September 30, 2015	As previously reported ($)	Adjustment ($)	Restated ($)
Net loss for the period	(103,273)	28,866	(74,407)
Trade accounts payable and accrued liabilities	6,139	(61,357)	(55,218)
Net cash used in operating activities	(168,872)	(32,491)	(201,363)
Increase in exploration and evaluation assets	(32,491)	32,491	-
Net cash used in investing activities	(32,491)	32,491	-

Nine months ended September 30, 2015	As previously reported ($)	Adjustment ($)	Restated ($)
Net loss for the period	(375,871)	(512,583)	(888,454)
Trade accounts payable and accrued liabilities	17,865	(35,763)	(17,898)
Net cash used in operating activities	(537,390)	(548,346)	(1,085,736)
Increase in exploration and evaluation assets	(548,346)	548,346	-
Net cash used in investing activities	(548,346)	548,346	-

(Expressed in Canadian dollars)

4. Cash and cash equivalents

	As at September 30, 2016	As at December 31, 2015
Bank balances	$ 192,198	$ 257,735

5. Marketable securities

	As at September 30, 2016	As at December 31, 2015
Cost		
1,080,000 common shares of S.E.M. Vior Inc. ("Vior")	$ 350,870	$ 350,870
Unrealized (loss)		
1,080,000 common shares of Vior	(232,070)	(302,270)
	$ 118,800	$ 48,600

6. Property and equipment

Cost	Computer software	Leasehold improvements	Computer equipment	Total
Balance, December 31, 2014	$ 5,458	$ 14,480	$ 3,711	$ 23,649
Balance, December 31, 2015	5,458	14,480	3,711	23,649
Disposals	-	(14,480)	-	(14,480)
Balance, September 30, 2016	$ 5,458	$ -	$ 3,711	$ 9,169

Accumulated Amortization	Computer software	Leasehold improvements	Computer equipment	Total
Balance, December 31, 2014	$ 1,364	$ 14,480	$ 3,711	$ 19,555
Amortization during the period	1,819	-	-	1,819
Balance, December 31, 2015	3,183	14,480	3,711	21,374
Amortization during the period	1,364	-	-	1,364
Disposals during the period	-	(14,480)	-	(14,480)
Balance, September 30, 2016	$ 4,547	$ -	$ 3,711	$ 8,258

Carrying value	Computer software	Leasehold improvements	Computer equipment	Total
Balance, December 31, 2015	$ 2,275	$ -	$ -	$ 2,275
Balance, September 30, 2016	$ 911	$ -	$ -	$ 911

(Expressed in Canadian dollars)

7. Mining Properties

The accumulated mining property acquisition costs, which have been expensed in these financial statements, are as follows:

	As at September 30, 2016	As at December 31, 2015
Douay property		
Ending balance	**$ 20,892,875**	$ 20,892,875

8. Exploration and evaluation expenditures

The accumulated exploration and evaluation expenditures, which have been expensed in these financial statements, are as follows:

	As at September 30, 2016	As at September 30, 2015
Douay property		
Opening balance	**$ 7,887,728**	$ 7,427,171
Drilling and core	**734,860**	138,420
Engineering	**(1,255)**	183,887
Environmental	**-**	652
Geology	**3,265**	62,919
Geophysics	**138,916**	149,072
Licences and permits	**2,777**	2,120
Other exploration costs	**19,161**	43,095
Tax credit related to resources	**105,363**	(67,582)
Ending balance	**$ 8,890,815**	$ 7,939,754

9. Secured loan payable

On September 4, 2015, the Company entered into an agreement to factor its 2014 claims for Quebec Exploration Tax Credits. The 2014 credits, originally estimated at $300,000, were filed as part of its Quebec tax return to claim $367,582. The Company factored $275,600 of its claim, which was not to exceed 75% of the claim, less fees of $16,480 and prepaid nine months of interest of $37,206 based on annual interest of 18%.

Prior to December 31, 2015, the Quebec Exploration Tax Credits were received by the corporation that loaned the Company the funds. As a result, the loan payable was repaid during the prior year and the excess of the Quebec Exploration Tax Credits received over the repayment amount of $114,165 was setup in other receivables. This amount was received by the Company during the period ended September 30, 2016.

10. Share capital

a) Authorized share capital

The authorized share capital consisted of unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(Expressed in Canadian dollars)

10. Share capital (continued)

b) Common shares issued

	Number of common shares	Amount
Balance, December 31, 2014 and September 30, 2015	69,511,617	$ 32,014,380
Balance, December 31, 2015	69,511,617	$ 32,014,380
Private placement - flow-through units (i)	6,361,504	508,920
Private placement - common share units (i), (ii)	14,816,000	1,088,960
Valuation of warrants issued (i), (ii)	-	(667,461)
Premium on flow-through shares (i)	-	(127,230)
Share issuance costs (i), (ii)	-	(110,780)
Balance, September 30, 2016	90,689,121	$ 32,706,789

(i) On May 30, 2016, the Company closed a non-brokered private placement of 6,361,504 flow-through units at a price of $0.08 per unit for gross proceeds of $508,920 and 9,816,000 common share units at a price of $0.06 per unit for gross proceeds of $588,960. Each flow-through unit consists of one flow-through common share and one warrant. Each common share unit consists of one non flow-through common share and one warrant. Each warrant entitles the holder to purchase one additional common share of the Company at an exercise price of $0.10 per share during the 12 months from the closing date.

In connection with the placement, finders' fees of $76,852 were incurred and 768,516 finders' warrants were issued which entitles the holder to purchase one common share at an exercise price $0.10 for a period of 12 months from the closing date.

The fair value of the 16,177,504 warrants and 768,516 finder warrants have been estimated using the Black-Scholes option pricing model to be $413,075 and $57,946, respectively. The following weighted average assumptions were used: expected dividend yield - 0%; expected volatility - 152% which is based on historical volatility; estimated risk-free interest rate - 0.60%; and an expected average life of 1 year.

(ii) On July 25, 2016, the Company closed a non-brokered private placement of 5,000,000 common share units at $0.10 per unit for gross proceeds of $500,000. Each unit consisted of one common share and one half common share warrant. Each whole common share warrant entitles the holder to purchase one additional common share at an exercise price of $0.13 per share during the 36 months following the closing date.

In connection with the placement, finders' fees of $16,100 were incurred and 161,000 finders' warrants were issued which entitles the holder to purchase one common share at an exercise price of $0.10 during the 12 months from the closing date. All the securities are subject to a four-month hold period from the closing date.

The fair value of the 2,500,000 warrants and 161,100 finder warrants have been estimated using the Black-Scholes option pricing model to be $156,045 and $40,395, respectively. The following weighted average assumptions were used: expected dividend yield - 0%; expected volatility - 162% which is based on historical volatility; estimated risk-free interest rate - 0.57%; and an expected average life of 3 years.

Aurvista acquired the Douay Gold Project in 2011 from the Société d'Exploration Minière Vior Inc. ("Vior"). The 2011 agreement provided Vior with a pre-emptive right to subscribe for shares of Aurvista in the event that Aurvista made any share issuances. Vior had wanted to participate in the July 25, 2016 private placement at $0.10 per unit, but agreed not to participate at the request of Aurvista. In order to compensate Vior for not participating it was agreed that Aurvista would pay Vior $120,000 for this specific offering, with its rights under the 2011 agreement remaining whole and unaffected. Subsequent to September 30, 2016, Vior subscribed for $120,000 units of the Company at a price $0.15 per unit (see note 18).

(Expressed in Canadian dollars)

11. Stock options

The following table reflects the continuity of stock options:

	Number of stock options	Weighted average exercise price ($)
Balance, December 31, 2014	6,055,000	0.26
Expired	(825,000)	0.17
Balance, September 30, 2015	5,230,000	0.27
Balance, December 31, 2015	5,930,000	0.13
Expired	(310,000)	0.12
Granted (i), (ii)	1,200,000	0.24
Balance, September 30, 2016	6,820,000	0.15

(i) On July 11, 2016, the Company granted 800,000 incentive stock options to a director and consultant with each option exercisable into one common share of the Company at an exercise price of $0.24 per share for a period of five years. The options vest 200,000 immediately with an additional 200,000 vesting on each of the next three anniversaries of the date of grant. The grant date fair value of $168,560 or $0.2107 per option was assigned to the stock options as estimated by using the Black-Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 155% which is based on historical volatility, risk-free rate of return of 0.53% and an expected maturity of 5 years.

(ii) On August 30, 2016, the Company granted 400,000 incentive stock options to an employee with each option exercisable into one common share of the Company at an exercise price of $0.24 per share for a period of five years. The options vest 100,000 immediately with an additional 100,000 vesting on each of the next three anniversaries of the date of grant. The grant date fair value of $74,520 or $0.1863 per option was assigned to the stock options as estimated by using the Black-Scholes valuation model with the following assumptions: expected dividend yield of 0%, expected volatility of 154% which is based on historical volatility, risk-free rate of return of 0.63% and an expected maturity of 5 years.

The following table reflects the actual stock options issued and outstanding as of September 30, 2016:

Exercise Price ($)	Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
0.40	0.3	500,000	500,000
0.12	2.2	1,620,000	1,620,000
0.12	3.1	500,000	166,667
0.10	4.1	3,000,000	750,000
0.24	4.8	800,000	200,000
0.24	4.9	400,000	100,000
0.15	3.4	6,820,000	3,336,667

(Expressed in Canadian dollars)

12. Warrants

The following table reflects the continuity of warrants:

	Number of warrants	Weighted average exercise price ($)
Balance, December 31, 2014	260,000	0.40
Expired	(260,000)	0.40
Balance, September 30, 2015	-	-
Balance, December 31, 2015	-	-
Issued (notes 10(b)(i), (ii))	19,607,020	0.10
Balance, September 30, 2016	19,607,020	0.10

The following table reflects the actual warrants issued and outstanding as of September 30, 2016:

Number of Warrants Outstanding	Grant Date Fair Value($)	Weighted average exercise Price ($)	Expiry Date
16,946,020	471,021	0.10	May 2017
161,000	40,395	0.13	July 2017
2,500,000	156,045	0.13	July 2019
19,607,020	667,461	0.10	

13. General and administrative

	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Professional fees	**$ 24,466**	$ 8,499	**$ 82,779**	$ 33,492
Salaries and benefits	**39,179**	35,109	**110,424**	107,657
Management and consulting	**49,262**	29,724	**124,162**	97,032
Office and general	**64,613**	18,643	**123,356**	76,325
Travel and promotion	**91,693**	1,731	**116,837**	44,710
Share-based payments	**97,739**	3,617	**121,963**	9,163
Business development	**5,000**	815	**17,460**	4,603
Amortization	**454**	454	**1,364**	1,364
	$ 372,406	$ 98,592	**$ 698,345**	$ 374,346

(Expressed in Canadian dollars)

14. Related party balances and transactions

The Company has no ultimate parent.

Key management personnel compensation comprised:

	Three Months Ended September 30, 2016	Three Months Ended September 30, 2015	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2015
Short-term benefits	**$ 37,500**	$ 22,500	**$ 82,500**	$ 67,500
Share-based payments	**58,217**	3,656	**77,555**	10,850
	$ 95,717	$ 26,156	**$ 160,055**	$ 78,350

Under an agreement between the Company and 9134-4382 Quebec Inc. ("9134-4382"), (which is owned by the President and CEO), during the three and nine months ended September 30, 2016, 9134-4382 invoiced or the Company accrued a total of $22,500 and $67,500 (three and nine months ended September 30, 2015 - $22,500 and $67,500) for exploration and CEO services provided to the Company. At September 30, 2016, there is an amount of $39,762 (December 31, 2015 - $40,324) due to 9134-4382 by the Company.

Under an agreement between the Company and 2364158 Ontario Inc. ("2364158"), (which is owned by the COO), during the three and nine months ended September 30, 2016, 2364158 invoiced or the Company accrued a total of $15,000 (three and nine months ended September 30, 2015 - $0) for COO services provided to the Company. At September 30, 2016, there is an amount of $0 (December 31, 2015 - $0) due to 2364158 by the Company.

During the three and nine months ended September 30, 2016, the Company paid or accrued rent of $7,215 and $17,835 (three and nine months ended September 30, 2015 - $0) to a director of the Company. At September 30, 2016, there is an amount of $1,980 (December 31, 2015 - $8,280) due to this director. At September 30, 2016, there is a deposit of $1,500 (December 31, 2015 - $1,500) included in prepaid expenses.

The above noted transactions are in the normal course of business and are measured at the exchange amount, as agreed to by the parties, and approved by the Board of Directors in strict adherence to conflict of interest laws and regulations.

As of September 30, 2016, Vior controls 20,685,800 common shares of the Company or approximately 23% of the total common shares outstanding. Subsequent to the period end, Vior obtained an additional 800,000 common shares and 800,000 warrants exercisable at $0.28.

To the knowledge of the directors and executive officers of the Company, the remaining common shares of the Company are widely held. As of September 30, 2016, directors and officers collectively control 6,869,969 common shares of the company or approximately 8% of the total common shares outstanding.

15. Segmented information

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the unaudited condensed interim financial statements also represent segment amounts. In order to determine reportable operating segments, the chief operating decision maker reviews various factors including geographical location, quantitative thresholds and managerial structure.

16. Net loss per common share

The calculation of basic and diluted loss per share for the three and nine months ended September 30, 2016 was based on the loss attributable to common shareholders of $1,085,432 and $1,694,436 (three and nine months ended September 30, 2015 - $74,407 and $888,454) and the weighted average number of common shares outstanding of 89,330,425 and 77,996,409 (three and nine months ended ended September 30, 2015 - 69,511,617). Diluted loss per share did not include the effect of the stock options and warrants as they are anti-dilutive.

17. Contingencies

(i) The Company has a tax issue with respect to flow-through spending in 2010 and 2011 which is now the subject of an agreement with Canadian Taxation Authorities. The agreement quantifies underspent flow-through obligations and gives the Company the right but not the obligation, not to exceed $400,000, to pay taxes on behalf of the flow-through investors which can otherwise be reassessed to flow-through investors on or before November 19, 2016. The Company's payment on behalf of investors is not CRA's normal policy and reflects mitigating circumstances. The Company has continued to accrue $442,000 as a current liability and as a potential settlement amount with the flow-through investors directly. At this time it is unknown as to the amount of the final result.

On November XX, 2016, the Board of Directors approved the payment of $400,000 to the CRA per the settlement agreement.

(ii) The Company received a draft re-assessment from Revenu Quebec further to their audit which was mainly focused on Quebec Exploration Tax Credits for the tax years 2011 through 2014. The Company has provided its reply refuting the re-assessment but at this time it is unknown as to the final re-assessment.

Management has reviewed the estimated range of potential reassessments and has accrued $200,000 as a potential contingent liability.

18. Subsequent events

(i) Subsequent to September 30, 2016, 350,000 warrants were exercised for total proceeds of $35,000.

(ii) On November 15, 2016, the Company closed a private placement of 39,995,333 units at $0.15 per unit for gross proceeds of $5,999,299. Each unit consisted of one common share and one common share warrant. Each warrant entitles the holder to purchase one additional common share at an exercise price of $0.28 per share during the 36 months following the closing date. In connection with the placement, finders' fees of $419,951 were paid and 2,799,673 finders' warrants were issued which entitle the holder to purchase one common share at an exercise price of $0.15 per share during the 36 months following the closing date. All the securities are subject to a four-month hold period from the closing date, expiring March 16, 2017.

Insiders of the Company subscribed to a total of 2,716,666 units for proceeds of $407,500 to the Company.